

1                   A bill to be entitled  
2           An act relating to firefighter and municipal police  
3           pensions; amending s. 175.032, F.S.; revising the  
4           definition of "firefighter"; amending s. 175.061, F.S.;  
5           authorizing the terms of office for the board of trustees  
6           of the firefighters' pension trust fund to be revised  
7           under certain circumstances; authorizing the plan  
8           administrator to withhold funds to pay for premiums for  
9           accident, health, and long-term care insurance for the  
10          retiree and the retiree's spouse and dependents; providing  
11          an exemption from liability under certain circumstances;  
12          amending s. 175.071, F.S.; requiring the board of trustees  
13          to perform its powers subject to certain fiduciary  
14          standards and ethics provisions; increasing the percentage  
15          of assets of the firefighters' pension trust fund that the  
16          board of trustees may invest in foreign securities;  
17          authorizing certain individuals to sign drafts issued upon  
18          the firefighters' pension trust fund; amending s. 185.05,  
19          F.S.; authorizing the terms of office for the board of  
20          trustees of the municipal police officers' retirement  
21          trust fund to be revised under certain circumstances;  
22          authorizing the plan administrator to withhold funds to  
23          pay for premiums for accident, health, and long-term care  
24          insurance for the retiree and the retiree's spouse and  
25          dependents; providing an exemption from liability under  
26          certain circumstances; amending s. 185.06, F.S.; requiring  
27          the board of trustees to perform its powers subject to  
28          certain fiduciary standards and ethics provisions;

29 increasing the percentage of assets of the municipal  
 30 police officers' retirement trust fund that the board of  
 31 trustees may invest in foreign securities; authorizing  
 32 certain individuals to sign drafts issued upon the  
 33 municipal police officers' retirement trust fund;  
 34 providing for severability; providing an effective date.

35  
 36 Be It Enacted by the Legislature of the State of Florida:

37  
 38 Section 1. Paragraph (a) of subsection (8) of section  
 39 175.032, Florida Statutes, is amended to read:

40 175.032 Definitions.--For any municipality, special fire  
 41 control district, chapter plan, local law municipality, local  
 42 law special fire control district, or local law plan under this  
 43 chapter, the following words and phrases have the following  
 44 meanings:

45 (8) (a) "Firefighter" means any person employed solely by a  
 46 constituted fire department of any municipality or special fire  
 47 control district who is certified as a firefighter as a  
 48 condition of employment in accordance with the provisions of s.  
 49 633.35 and whose duty it is to extinguish fires, to protect  
 50 life, or to protect property. "Firefighter" includes all  
 51 certified supervisory and command personnel whose duties  
 52 include, in whole or in part, the supervision, training,  
 53 guidance, and management responsibilities of full-time  
 54 firefighters, part-time firefighters, or auxiliary firefighters  
 55 but does not include part-time firefighters or auxiliary  
 56 firefighters. However, for purposes of this chapter only,

CS/HB 3

2007

57 "firefighter" also includes public safety officers who are  
58 responsible for performing both police and fire services, who  
59 are certified as police officers or firefighters, and who are  
60 certified by their employers to the Chief Financial Officer as  
61 participating in this chapter prior to October 1, 1979.  
62 Effective October 1, 1979, public safety officers who have not  
63 been certified as participating in this chapter shall be  
64 considered police officers for retirement purposes and shall be  
65 eligible to participate in chapter 185. Any plan may provide  
66 that the fire chief shall have an option to participate, or not,  
67 in that plan.

68 Section 2. Paragraph (a) of subsection (1) and subsection  
69 (7) of section 175.061, Florida Statutes, are amended to read:

70 175.061 Board of trustees; members; terms of office;  
71 meetings; legal entity; costs; attorney's fees.--For any  
72 municipality, special fire control district, chapter plan, local  
73 law municipality, local law special fire control district, or  
74 local law plan under this chapter:

75 (1) In each municipality and in each special fire control  
76 district there is hereby created a board of trustees of the  
77 firefighters' pension trust fund, which shall be solely  
78 responsible for administering the trust fund. Effective October  
79 1, 1986, and thereafter:

80 (a) The membership of the board of trustees for a chapter  
81 plan shall consist of five members, two of whom, unless  
82 otherwise prohibited by law, shall be legal residents of the  
83 municipality or special fire control district, who shall be  
84 appointed by the governing body of the municipality or special

CS/HB 3

2007

85 fire control district, and two of whom shall be full-time  
86 firefighters as defined in s. 175.032 who shall be elected by a  
87 majority of the active firefighters who are members of such  
88 plan. With respect to any chapter plan or local law plan that,  
89 on January 1, 1997, allowed retired firefighters to vote in such  
90 elections, retirees may continue to vote in such elections. The  
91 fifth member shall be chosen by a majority of the previous four  
92 members as provided for herein, and such person's name shall be  
93 submitted to the governing body of the municipality or special  
94 fire control district. Upon receipt of the fifth person's name,  
95 the governing body of the municipality or special fire control  
96 district shall, as a ministerial duty, appoint such person to  
97 the board of trustees as its fifth member. The fifth member  
98 shall have the same rights as each of the other four members  
99 appointed or elected as herein provided, shall serve as trustee  
100 for a period of 2 years, and may succeed himself or herself in  
101 office. Each resident member shall serve as trustee for a period  
102 of 2 years, unless sooner replaced by the governing body at  
103 whose pleasure he or she shall serve, and may succeed himself or  
104 herself as a trustee. Each firefighter member shall serve as  
105 trustee for a period of 2 years, unless he or she sooner leaves  
106 the employment of the municipality or special fire control  
107 district as a firefighter, whereupon a successor shall be chosen  
108 in the same manner as an original appointment. Each firefighter  
109 may succeed himself or herself in office. The terms of office of  
110 the appointed and elected members of the board may be amended by  
111 municipal ordinance, special act of the Legislature, or  
112 resolution adopted by the governing body of the special fire

113 control district to extend the terms of office from 2 years to 4  
 114 years. The length of the terms of office shall be the same for  
 115 all board members.

116 (7) The board of trustees may, upon written request by the  
 117 retiree of the plan, or by a dependent, when authorized by the  
 118 retiree or the retiree's beneficiary, authorize the plan  
 119 administrator to withhold from the monthly retirement payment  
 120 those funds that are necessary to pay for the benefits being  
 121 received through the governmental entity from which the employee  
 122 retired, to pay the certified bargaining agent of the  
 123 governmental entity, and to make any payments for child support  
 124 or alimony. Further, the board of trustees may, upon written  
 125 request of the retiree of the plan, authorize the plan  
 126 administrator to withhold from the retirement payment those  
 127 funds that are necessary to pay for premiums for accident,  
 128 health, and long-term care insurance for the retiree and the  
 129 retiree's spouse and dependents. A retirement plan does not  
 130 incur any liability for participation in this permissive program  
 131 if its actions are taken in good faith.

132 Section 3. Subsection (1) of section 175.071, Florida  
 133 Statutes, is amended to read:

134 175.071 General powers and duties of board of  
 135 trustees.--For any municipality, special fire control district,  
 136 chapter plan, local law municipality, local law special fire  
 137 control district, or local law plan under this chapter:

138 (1) The board of trustees, subject to the fiduciary  
 139 standards in ss. 112.656, 112.661, and 518.11 and the Code of  
 140 Ethics in ss. 112.311-112.3187, may:

141 (a) Invest and reinvest the assets of the firefighters'  
 142 pension trust fund in annuity and life insurance contracts of  
 143 life insurance companies in amounts sufficient to provide, in  
 144 whole or in part, the benefits to which all of the participants  
 145 in the firefighters' pension trust fund shall be entitled under  
 146 the provisions of this chapter and pay the initial and  
 147 subsequent premiums thereon.

148 (b) Invest and reinvest the assets of the firefighters'  
 149 pension trust fund in:

150 1. Time or savings accounts of a national bank, a state  
 151 bank insured by the Bank Insurance Fund, or a savings, building,  
 152 and loan association insured by the Savings Association  
 153 Insurance Fund which is administered by the Federal Deposit  
 154 Insurance Corporation or a state or federal chartered credit  
 155 union whose share accounts are insured by the National Credit  
 156 Union Share Insurance Fund.

157 2. Obligations of the United States or obligations  
 158 guaranteed as to principal and interest by the government of the  
 159 United States.

160 3. Bonds issued by the State of Israel.

161 4. Bonds, stocks, or other evidences of indebtedness  
 162 issued or guaranteed by a corporation organized under the laws  
 163 of the United States, any state or organized territory of the  
 164 United States, or the District of Columbia, provided:

165 a. The corporation is listed on any one or more of the  
 166 recognized national stock exchanges or on the National Market  
 167 System of the NASDAQ Stock Market and, in the case of bonds  
 168 only, holds a rating in one of the three highest classifications

169 | by a major rating service; and

170 |       b. The board of trustees shall not invest more than 5  
 171 | percent of its assets in the common stock or capital stock of  
 172 | any one issuing company, nor shall the aggregate investment in  
 173 | any one issuing company exceed 5 percent of the outstanding  
 174 | capital stock of that company or the aggregate of its  
 175 | investments under this subparagraph at cost exceed 50 percent of  
 176 | the assets of the fund.

177 |  
 178 | This paragraph shall apply to all boards of trustees and  
 179 | participants. However, in the event that a municipality or  
 180 | special fire control district has a duly enacted pension plan  
 181 | pursuant to, and in compliance with, s. 175.351, and the  
 182 | trustees thereof desire to vary the investment procedures  
 183 | herein, the trustees of such plan shall request a variance of  
 184 | the investment procedures as outlined herein only through a  
 185 | municipal ordinance, special act of the Legislature, or  
 186 | resolution by the governing body of the special fire control  
 187 | district; where a special act, or a municipality by ordinance  
 188 | adopted prior to July 1, 1998, permits a greater than 50-percent  
 189 | equity investment, such municipality shall not be required to  
 190 | comply with the aggregate equity investment provisions of this  
 191 | paragraph. Notwithstanding any other provision of law to the  
 192 | contrary, nothing in this section may be construed to take away  
 193 | any preexisting legal authority to make equity investments that  
 194 | exceed the requirements of this paragraph. The board of trustees  
 195 | may invest up to 20 ~~10~~ percent of plan assets in foreign  
 196 | securities.

197 (c) Issue drafts upon the firefighters' pension trust fund  
 198 pursuant to this act and rules and regulations prescribed by the  
 199 board of trustees. All such drafts shall be consecutively  
 200 numbered, be signed by the chair and secretary or two  
 201 individuals designated by the board who are subject to the same  
 202 fiduciary standards as required for the board of trustees under  
 203 this subsection, and state upon their faces the purpose for  
 204 which the drafts are drawn. The treasurer or depository of each  
 205 municipality or special fire control district shall retain such  
 206 drafts when paid, as permanent vouchers for disbursements made,  
 207 and no money shall be otherwise drawn from the fund.

208 (d) Convert into cash any securities of the fund.

209 (e) Keep a complete record of all receipts and  
 210 disbursements and of the board's acts and proceedings.

211 Section 4. Paragraph (a) of subsection (1) and subsection  
 212 (6) of section 185.05, Florida Statutes, are amended to read:

213 185.05 Board of trustees; members; terms of office;  
 214 meetings; legal entity; costs; attorney's fees.--For any  
 215 municipality, chapter plan, local law municipality, or local law  
 216 plan under this chapter:

217 (1) In each municipality described in s. 185.03 there is  
 218 hereby created a board of trustees of the municipal police  
 219 officers' retirement trust fund, which shall be solely  
 220 responsible for administering the trust fund. Effective October  
 221 1, 1986, and thereafter:

222 (a) The membership of the board of trustees for chapter  
 223 plans shall consist of five members, two of whom, unless  
 224 otherwise prohibited by law, shall be legal residents of the



225 | municipality, who shall be appointed by the legislative body of  
226 | the municipality, and two of whom shall be police officers as  
227 | defined in s. 185.02 who shall be elected by a majority of the  
228 | active police officers who are members of such plan. With  
229 | respect to any chapter plan or local law plan that, on January  
230 | 1, 1997, allowed retired police officers to vote in such  
231 | elections, retirees may continue to vote in such elections. The  
232 | fifth member shall be chosen by a majority of the previous four  
233 | members, and such person's name shall be submitted to the  
234 | legislative body of the municipality. Upon receipt of the fifth  
235 | person's name, the legislative body of the municipality shall,  
236 | as a ministerial duty, appoint such person to the board of  
237 | trustees as its fifth member. The fifth member shall have the  
238 | same rights as each of the other four members appointed or  
239 | elected as herein provided, shall serve as trustee for a period  
240 | of 2 years, and may succeed himself or herself in office. Each  
241 | resident member shall serve as trustee for a period of 2 years,  
242 | unless sooner replaced by the legislative body at whose pleasure  
243 | the member shall serve, and may succeed himself or herself as a  
244 | trustee. Each police officer member shall serve as trustee for a  
245 | period of 2 years, unless he or she sooner leaves the employment  
246 | of the municipality as a police officer, whereupon the  
247 | legislative body of the municipality shall choose a successor in  
248 | the same manner as an original appointment. Each police officer  
249 | may succeed himself or herself in office. The terms of office of  
250 | the appointed and elected members of the board may be amended by  
251 | municipal ordinance or special act of the Legislature to extend  
252 | the terms of office from 2 years to 4 years. The length of the

253 terms of office shall be the same for all board members.

254 (6) The board of trustees may, upon written request by the  
 255 retiree of the plan, or by a dependent, when authorized by the  
 256 retiree or the retiree's beneficiary, authorize the plan  
 257 administrator to withhold from the monthly retirement payment  
 258 those funds that are necessary to pay for the benefits being  
 259 received through the governmental entity from which the employee  
 260 retired, to pay the certified bargaining agent of the  
 261 governmental entity, and to make any payments for child support  
 262 or alimony. Further, the board of trustees may, upon written  
 263 request of the retiree of the plan, authorize the plan  
 264 administrator to withhold from the retirement payment those  
 265 funds that are necessary to pay for premiums for accident,  
 266 health, and long-term care insurance for the retiree and the  
 267 retiree's spouse and dependents. A retirement plan does not  
 268 incur any liability for participation in this permissive program  
 269 if its actions are taken in good faith.

270 Section 5. Subsection (1) of section 185.06, Florida  
 271 Statutes, is amended to read:

272 185.06 General powers and duties of board of  
 273 trustees.--For any municipality, chapter plan, local law  
 274 municipality, or local law plan under this chapter:

275 (1) The board of trustees, subject to the fiduciary  
 276 standards in ss. 112.656, 112.661, and 518.11 and the Code of  
 277 Ethics in ss. 112.311-112.3187, may:

278 (a) Invest and reinvest the assets of the retirement trust  
 279 fund in annuity and life insurance contracts of life insurance  
 280 companies in amounts sufficient to provide, in whole or in part,

281 the benefits to which all of the participants in the municipal  
 282 police officers' retirement trust fund shall be entitled under  
 283 the provisions of this chapter, and pay the initial and  
 284 subsequent premiums thereon.

285 (b) Invest and reinvest the assets of the retirement trust  
 286 fund in:

287 1. Time or savings accounts of a national bank, a state  
 288 bank insured by the Bank Insurance Fund, or a savings and loan  
 289 association insured by the Savings Association Insurance Fund  
 290 which is administered by the Federal Deposit Insurance  
 291 Corporation or a state or federal chartered credit union whose  
 292 share accounts are insured by the National Credit Union Share  
 293 Insurance Fund.

294 2. Obligations of the United States or obligations  
 295 guaranteed as to principal and interest by the United States.

296 3. Bonds issued by the State of Israel.

297 4. Bonds, stocks, or other evidences of indebtedness  
 298 issued or guaranteed by a corporation organized under the laws  
 299 of the United States, any state or organized territory of the  
 300 United States, or the District of Columbia, provided:

301 a. The corporation is listed on any one or more of the  
 302 recognized national stock exchanges or on the National Market  
 303 System of the NASDAQ Stock Market and, in the case of bonds  
 304 only, holds a rating in one of the three highest classifications  
 305 by a major rating service; and

306 b. The board of trustees shall not invest more than 5  
 307 percent of its assets in the common stock or capital stock of  
 308 any one issuing company, nor shall the aggregate investment in

309 any one issuing company exceed 5 percent of the outstanding  
 310 capital stock of the company or the aggregate of its investments  
 311 under this subparagraph at cost exceed 50 percent of the fund's  
 312 assets.

313  
 314 This paragraph shall apply to all boards of trustees and  
 315 participants. However, in the event that a municipality has a  
 316 duly enacted pension plan pursuant to, and in compliance with,  
 317 s. 185.35 and the trustees thereof desire to vary the investment  
 318 procedures herein, the trustees of such plan shall request a  
 319 variance of the investment procedures as outlined herein only  
 320 through a municipal ordinance or special act of the Legislature;  
 321 where a special act, or a municipality by ordinance adopted  
 322 prior to July 1, 1998, permits a greater than 50-percent equity  
 323 investment, such municipality shall not be required to comply  
 324 with the aggregate equity investment provisions of this  
 325 paragraph. Notwithstanding any other provision of law to the  
 326 contrary, nothing in this section may be construed to take away  
 327 any preexisting legal authority to make equity investments that  
 328 exceed the requirements of this paragraph. The board of trustees  
 329 may invest up to 20 ~~10~~ percent of plan assets in foreign  
 330 securities.

331 (c) Issue drafts upon the municipal police officers'  
 332 retirement trust fund pursuant to this act and rules and  
 333 regulations prescribed by the board of trustees. All such drafts  
 334 shall be consecutively numbered, be signed by the chair and  
 335 secretary or two individuals designated by the board who are  
 336 subject to the same fiduciary standards as required for the

CS/HB 3

2007

337 board of trustees under this subsection, and state upon their  
338 faces the purposes for which the drafts are drawn. The city  
339 treasurer or other depository shall retain such drafts when  
340 paid, as permanent vouchers for disbursements made, and no money  
341 shall otherwise be drawn from the fund.

342 (d) Finally decide all claims to relief under the board's  
343 rules and regulations and pursuant to the provisions of this  
344 act.

345 (e) Convert into cash any securities of the fund.

346 (f) Keep a complete record of all receipts and  
347 disbursements and of the board's acts and proceedings.

348 Section 6. If any provision of this act or its application  
349 to any person or circumstance is held invalid, the invalidity  
350 does not affect other provisions or applications of the act  
351 which can be given effect without the invalid provision or  
352 application, and to this end the provisions of this act are  
353 severable.

354 Section 7. This act shall take effect upon becoming a law.